

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 1/27/2015	(3) CONTACT/PHONE Wayne Hansen 781-4282 Cindy Collins 788-2932	
(4) SUBJECT Request to approve: 1) a FY 2014-15 through FY 2016-17 renewal contract with Aegis Treatment Centers, LLC., in an amount up to \$1,001,059 per year to provide Narcotic Treatment Program services and 2) a corresponding budget adjustment in the amount of \$550,000 from unanticipated revenue to Fund Center 166-Behavioral Health. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board: 1) Approve a three year renewal contract from FY 2014-15 through FY 2016-17 with Aegis Treatment Centers, LLC in an amount of \$1,001,059 per year to provide Narcotic Treatment Program Services; and 2) Authorize a corresponding budget adjustment in the amount of \$550,000 from FY 2014-15 unanticipated revenues to Fund Center 166-Behavioral Health (4/5's vote required).			
(6) FUNDING SOURCE(S) Drug Medi-Cal and 2011 Realignment	(7) CURRENT YEAR FINANCIAL IMPACT \$1,001,059.00	(8) ANNUAL FINANCIAL IMPACT \$1,001,059.00	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001492		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: 1415076 <input checked="" type="checkbox"/> 4/5 Vote Required <input type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>1/28/14</u> and <u>2/25/2014</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Leslie Brown			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Jeff Hamm, Health Agency Director
Anne Robin, L.M.F.T, Behavioral Health Administrator

DATE: 1/27/2015

SUBJECT: Request to approve: 1) a FY 2014-15 through FY 2016-17 renewal contract with Aegis Treatment Centers, LLC., in an amount up to \$1,001,059 per year to provide Narcotic Treatment Program services and 2) a corresponding budget adjustment in the amount of \$550,000 from unanticipated revenue to Fund Center 166-Behavioral Health. All Districts.

RECOMMENDATION

It is recommended that the Board:

1. Approve a three year renewal contract from FY 2014-15 through FY 2016-17 with Aegis Treatment Centers, LLC in an amount up to \$1,001,059 per year to provide Narcotic Treatment Program Services; and
2. Authorize a corresponding budget adjustment in the amount \$550,000 from FY 2014-15 unanticipated revenues to Fund Center 166-Behavioral Health (4/5's vote required).

DISCUSSION

In October 2014, the State Department of Health Care Services (DHCS) provided the County with a multi-year renewal contract for Substance Use Disorder (SUD) services which will allow the County as well as Aegis Treatment Centers, LLC to access Drug Medi-Cal (DMC) funding. On January 27, 2015, the Department presented to the Board for approval the corresponding three year renewal contract with the Department of Health Care Services (DHCS), with the County acting as the local administrator of the Drug Medi-Cal program.

The County is responsible for contracting with Aegis Treatment Centers, implementing and maintaining a system of fiscal disbursements and controls, monitoring the billings to ensure that reimbursement is within the Drug Medi-Cal rates established for services; and processing claims for reimbursement. The County is responsible for contracting with any provider that intends to access Drug Medi-Cal in the San Luis Obispo County.

This three year renewal contract allows Aegis Treatment Centers to access Drug Medi-Cal funding for Medi-Cal beneficiaries associated with the DHCS multi- year renewal contract.

Aegis Treatment Centers, LLC, a Narcotic Treatment Program, provides outpatient services using specific medications to assist in withdrawal from opiates, and provide stabilization and rehabilitation for persons who are opiate addicted. Services, which are located in the North County, include methadone medication treatment, drug screening/testing and individual and group counseling services regarding methadone maintenance.

Due to delays at the State in completing the SUD contract, the Department is coming to the Board for approval midway through the fiscal year.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed and approved the contract as to form and legal effect.

FINANCIAL CONSIDERATIONS

In FY 2014-15, Aegis Treatment Centers are eligible to access up to \$1,001,059 from Drug Medi-Cal activities.

The Department's FY 2014-15 adjusted budget does not include sufficient appropriation to fund the Aegis contracts and other Drug Medi-Cal expenses which total \$2,351,368. The FY 2014-15 adjusted budget includes \$1,801,368 in expense appropriation and revenue. The Department is submitting a budget adjustment in the amount of \$550,000 of expense and revenue from Drug Medi-Cal and 2011 Realignment to offset the projected Drug Medi-Cal billable activity. This adjustment will allow the County to process payments to Aegis Treatment Centers through the end of the fiscal year.

The table below represents the NTP contract provider's current contract amount available within the DHCS multi-year renewal contract.

Fiscal Year	Aegis – DMC Federal Share	Aegis – 2011 Realignment	Total
FY 2014-15	\$500,530	\$500,529	\$1,001,059
FY 2015-16	\$500,530	\$500,529	\$1,001,059
FY 2016-17	\$500,530	\$500,529	\$1,001,059

Approval of this item will have no effect on the level of General Fund Support required by the Behavioral Health Department.

RESULTS

Aegis Treatment Centers, LLC contract includes the following specific performance measure:

Objective 1 - Attrition – Aegis goal to achieve an attrition rate of no more than 20% among patients in the first 90 days of treatment, and to improve that attrition rate by one percentage point (equivalent to a 5% improvement annually)

Objective 2 – 5 in 5 Program: Goal of admitting all new patients through Aegis's "5 in 5" clinical program. By March 2015, 100% of newly admitted patients will be entered into the "5 in 5" clinical program. Patients will be required to be engaged five times within the first five non-weekend days of treatment.

Objective 3 – Goal of achieving no more than 15% illicit opiate relapse rates (excluding the first 90 days of patient treatment) and no more than 25% for all illicit drug relapse rates, and to improve both of these rates by one percentage point annually.

Approval of this agreement will allow the County to reimburse Aegis Treatment Centers, LLC. for reimbursable Narcotic Treatment Program services from Drug Medi-Cal and Department of Health Care Services (DHCS) Substance Use Disorder (SUD) contract.

The pass-thru funds received through the SUD contract will help with the Health Agency's Behavioral Health Department achieve its mission of promoting safe, healthy, responsible and informed choices concerning alcohol and other drugs through programs responsive to community needs. That mission contributes to efforts to achieve the desired community wide result of both a "Healthy Community" and a "Safe Community".

ATTACHMENTS

1. Attachment 1 - Aegis Contract